

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
GALVESTON DIVISION

LOCKWOOD INTERNATIONAL, INC.

VS.

WELLS FARGO BANK, NATIONAL
ASSOCIATION; WELLS FARGO
SECURITIES, LLC; and TRUSTMARK
NATIONAL BANK

V.

LOCKWOOD ENTERPRISES, INC., LMG
MANUFACTURING, INC., PIPING
COMPONENTS, INC., LOCKWOOD
HOLDINGS, INC., LH AVIATION, LLC,
7807 EAGLE LANE LLC, AND
MICHAEL F. LOCKWOOD,

Third-Party Defendants.

C. A. NO. 3:17-CV-365

THIRD PARTY DEFENDANT'S ANSWER TO THIRD PARTY CLAIMS

TO THE HONORABLE UNITED STATES DISTRICT JUDGE:

COME NOW Michael F. Lockwood ("Lockwood"), made Third Party Defendant herein, and, for his Answer to the Third Party Claims (D.E. 5) filed by Defendants and Third Party Plaintiffs Wells Fargo Bank, N.A., and Trustmark National Bank, would respectfully show as follows:

I. ANSWER TO THIRD PARTY CLAIMS

INTRODUCTION

1. Paragraph 1 makes no allegations against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 1 pertaining to others. Lockwood further denies Lenders have a perfected security interest, or that Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

2. Paragraph 2 makes no allegations against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 2 pertaining to others, but Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. Lockwood further denies Lenders have a perfected security interest, or that Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

3. Paragraph 3 makes no allegations against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 3 pertaining to others, but Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. Lockwood further denies Lenders have a perfected security interest, or that Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

4. Lockwood admits Wells Fargo has made demands. The remaining allegations of Paragraph 4 against Lockwood are denied. Lockwood neither admits nor denies the

allegations of Paragraph 4 pertaining to others, but Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

5. The allegations of Paragraph 5 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 5 pertaining to others. Lockwood further denies Lenders have a perfected security interest, or that Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

PARTIES

6. Paragraph 6 makes no allegations against Lockwood requiring a response.

7. Paragraph 7 makes no allegations against Lockwood requiring a response.

8. Paragraph 8 makes no allegations against Lockwood requiring a response.

9. Paragraph 9 makes no allegations against Lockwood requiring a response.

10. Paragraph 10 makes no allegations against Lockwood requiring a response.

11. Paragraph 11 makes no allegations against Lockwood requiring a response.

12. Paragraph 12 makes no allegations against Lockwood requiring a response.

13. Lockwood admits the allegations of Paragraph 13, and that he was served by agreement.

14. Lockwood admits the allegations of Paragraph 14.

15. Lockwood admits the allegations of Paragraph 15.

JURISDICTION AND VENUE

16. Lockwood admits jurisdiction and venue are proper in this Court, but not to the exclusion of other courts.

FACTUAL BACKGROUND

17. Paragraph 17 makes no allegations against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 17 pertaining to others, and denies allegations related to exhibits and documents, and the alleged effects of such exhibits and documents, as those may pertain to Lockwood. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

18. Paragraph 18 makes no allegations against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 18 pertaining to others, and denies allegations related to exhibits and documents, and the alleged effects of such exhibits and documents, as those may pertain to Lockwood. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

19. Lockwood admits to being party to certain purported agreements with Lenders. The remaining allegations of Paragraph 19 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 19 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

20. Lockwood admits being party to certain purported agreements with Lenders. The remaining allegations of Paragraph 20 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 20 pertaining to others. Lockwood further denies Lenders have a perfected security interest, or that Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph by any other allegations made in this paragraph.

21. Lockwood admits the allegations of Paragraph 21 as to his leave of absence, and the existence of management during that absence. Lockwood denies the remaining allegations of Paragraph 21 against Lockwood. Lockwood neither admits nor denies the allegations of Paragraph 21 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

22. Paragraph 22 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 22 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

23. Paragraph 23 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 23 pertaining to others. Lockwood denies the allegations related to documents and the alleged effects or purposes of such

documents as those relate to Lockwood, and further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

24. Lockwood admits being party to certain purported agreements with Lenders. The remaining allegations of Paragraph 24 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 24 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

25. Lockwood admits being party to certain purported agreements with Lenders. The remaining allegations of Paragraph 25 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 25 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

26. Lockwood denies the allegations of Paragraph 26 as to him. Lockwood neither admits nor denies the allegations of Paragraph 26 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

27. Lockwood admits Wells Fargo sent a notice. The remaining allegations of Paragraph 27 against Lockwood, including allegations related to exhibits or documents and the alleged

effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 27 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

28. The allegations of Paragraph 28 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 28 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

29. Lockwood denies the allegations of Paragraph 29 as to him. Lockwood neither admits nor denies the allegations of Paragraph 29 pertaining to others. Lockwood denies the allegations related to documents and the alleged effects or purposes of such documents as those relate to Lockwood, and further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

30. Paragraph 30 makes no allegations requiring a response. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

CAUSES OF ACTION

31. Paragraph 31 makes no allegations requiring a response. Lockwood incorporates his prior responses herein. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

32. Paragraph 32 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 32 pertaining to others. Lockwood denies the allegations related to documents and the alleged effects or purposes of such documents as those relate to Lockwood, and further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

33. Paragraph 33 makes no allegations requiring a response. Lockwood incorporates his prior responses herein. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

34. The allegations of Paragraph 34 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 34 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

35. The allegations of Paragraph 35 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 35 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

ATTORNEYS FEES

36. The allegations of Paragraph 36 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 36 pertaining to others. Lockwood further

denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

CONDITIONS PRECEDENT

37. The allegations of Paragraph 37 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 37 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

APPLICATION FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION

38. Paragraph 38 makes no allegations requiring a response. Lockwood incorporates his prior responses herein. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

39. The allegations of Paragraph 39 against Lockwood are denied. Lockwood neither admits nor denies the allegations of Paragraph 39 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

40. The allegations of Paragraph 40 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 40 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

41. Lockwood admits Wells Fargo sent letters. The remaining allegations of Paragraph 41, to the extent stated against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

42. Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. The remaining allegations of Paragraph 42, to the extent stated against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 42 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

43. Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore deny all such allegations. The remaining allegations of Paragraph 43, to the extent stated against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 43 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

44. Lockwood admits Wells Fargo sent letters, but is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. The remaining allegations of Paragraph 44, to the extent stated against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 44 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

45. Paragraph 45 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 45 pertaining to others. To the extent Paragraph 45 does state allegations against Lockwood, Lockwood is without sufficient information and belief to admit or deny what Wells Fargo learned, and therefore denies all such allegations. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

46. Paragraph 46 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 46 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

47. Lockwood denies the allegations of Paragraph 47 as to him. The remaining allegations of Paragraphs 47 make no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 47 pertaining to others.

Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

48. Paragraph 48 makes no specific allegations against Lockwood requiring a response. Allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

49. Paragraph 49 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 49 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

50. Paragraph 50 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 50 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief, in particular the enumerated relief requested, or based upon the purported authority cited, or by any other allegations made in this paragraph.

51. Paragraph 51 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 51 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief, including based upon the purported authority cited or by any other allegations made in this paragraph.

52. The allegations of Paragraph 52 against Lockwood, including allegations related to exhibits or documents and the alleged effects of such exhibits or documents, are denied. Lockwood neither admits nor denies the allegations of Paragraph 52 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

53. Paragraph 53 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 53 pertaining to others. Lockwood further denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

54. Paragraph 54 makes no allegations against Lockwood requiring a response. Lockwood neither admits nor denies the allegations of Paragraph 54 pertaining to others. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

55. Paragraph 55 makes no specific allegations against Lockwood requiring a response. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

56. Paragraph 56 makes no specific allegations against Lockwood requiring a response. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief by any other allegations made in this paragraph.

PRAYER

57. Lockwood denies Wells Fargo and/or Trustmark are entitled to any relief sought.

II. AFFIRMATIVE DEFENSES

58. Lenders' claims against Lockwood are barred because Lockwood acted under duress.

59. Lenders' claims against Lockwood are barred by the doctrine of estoppel.

60. Lenders' claims against Lockwood are barred for failure or insufficiency of consideration.

61. Lenders' claims against Lockwood are barred on basis of Lenders' fraud in the inducement of agreements, or fraud in Lenders' other actions.

62. Lenders' claims against Lockwood are barred by illegality of Lenders' actions.

63. Lenders' claims against Lockwood are barred by payment.

64. Lenders' claims against Lockwood are barred by waiver.

65. Lenders' claims against Lockwood are barred by Lenders' failure to perfect any security interest.

66. Lenders' claims against Lockwood are barred by failure of conditions precedent.

67. Lenders' claims against Lockwood are barred or reduced by set-off.

68. Lenders' claims against Lockwood are barred for Lenders' failure to mitigate its damages.

69. Lenders' claims against Lockwood are barred by Lenders' unclean hands.

70. Lenders fail to state a claim against Lockwood for which relief can be granted.

IV. REQUEST FOR JURY TRIAL

71. Lockwood demands a trial by jury herein.

WHEREFORE, Third Party Defendant Michael F. Lockwood prays that the Third Party Claims against him be dismissed with prejudice, that he recover his costs and fees associated therewith, that Lenders be denied temporary, preliminary or permanent relief, and that Michael F. Lockwood be granted all such other and further relief to which he may show himself justly entitled, in law or in equity.

Respectfully submitted,

/s/ Francis I. Spagnoletti

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**ATTORNEYS FOR THIRD PARTY
DEFENDANT MICHAEL F. LOCKWOOD**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that service of the foregoing was automatically accomplished on all counsel of record through the CM/ECF Notice of Electronic filing, in accordance with the Federal Rules of Civil Procedure on this 16th day of February, 2018.

/s/ Francis I. Spagnoletti

Francis I. Spagnoletti